

United States Department of the Interior

TAKE PRIDE IN AMERICA 0 0 0 1

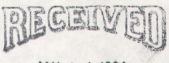
BUREAU OF LAND MANAGEMENT Beaver River Resource Area 365 South Main Street

Cedar City, Utah 84720 (801) 586-2458

3809 UT-044

January 12, 1994

Wayne Hedberg
Department of Natural Resources
Division of Oil, Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203



JAN 1 4 1994

Dear Mr. Hedberg:

DIVISION OF OIL, GAS & MINING

Please find enclosed a copy of the approval letter corresponding to Plan of Operation number UTU-71131 submitted by Geneva Steel. Your reference number is M/021/008.

Also please find enclosed our estimated reclamation cost for disturbance proposed on public land. It is our understanding that you are preparing a bond calculation for the entire Comstock/Mt. Lion operation. We are only allowed to require \$2,000 per acre for reclamation bonds. We would request that the proposed disturbance on public land be incorporated into your reclamation bond for the operation as a whole. Please contact Gina Pack at this office if you have questions regarding the approval or reclamation estimate.

Sincerely,

Arthur L. Tait
Area Manager

Enclosures(2)

1. Approval letter for UTU-71131

2. Reclamation cost estimate



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Beaver River Resource Area 365 South Main Street Cedar City, Utah 84720 (801) 586-2458

3809 UT-044 UTU-71131

MECENVED

January 12, 1994

Jerry Grover Geneva Steel P.O. Box 20-B Santaquin, UT 84655

DIVISION OF OIL, GAS & MINING M/021/008

Dear Mr. Grover:

This letter approves the Plan of Operations submitted by your company for the proposed waste rock pile adjacent to your Comstock/Mt. Lion mine located in Iron County, Utah. The plan has been reviewed for compliance with regulations found in 43 CFR 3809 and was analyzed in an environmental assessment report. The report indicated that none of the affected resources would be significantly impacted by the proposed action. Approval of the plan is subject to the attached Reclamation Standards. The plan has been given file number UTU-71131. Please use this number in all future correspondence with this office.

Also find enclosed a copy of the reclamation cost estimate which has been submitted to the Utah Division of Oil, Gas and Mining (DOGM). The BLM may only bond up to \$2,000 per acre. Reclamation of disturbed public land will be covered by the bond required by DOGM.

The operations described in your plan are the only actions considered approved by the Bureau of Land Management. Any changes must be submitted to this office as a proposed modification. Operations will be inspected twice a year or every 6 months to insure compliance with the plan and federal and state regulations.

Approval of this plan will not now, or in the future serve as a determination of the ownership or validity of any mining claim to which it may relate.

Thank you for submitting your Plan of Operation as it shows your willingness to prevent unnecessary disturbance of our public lands. If you have questions regarding this approval please contact Gina Pack at this office. Sincerely, then Itait Arthur L. Tait Area Manager Enclosures(2) 1. Reclamation Standards 2. Reclamation Cost Estimate cc: Wayne Hedberg, DOGM - M/021/008

BEAVER RIVER OURCE AREA RECLAMATION STANDAR - 3802/3809

- 1. At the earliest feasible time, the operator will reclaim the area disturbed, except to the extent necessary to preserve evidence of mineralization and roads needed for continuing mineral exploration. Reclamation will include reasonable measures to prevent or control onsite and offsite damage of public lands.
- Reclamation will include but not be limited to:
 - a. Saving topsoil (top 3 to 6 inches) for final application after reshaping of disturbed areas.

b. Controlling erosion, landslides, and water runoff.c. Isolating, removing, or controlling toxic materials.

d. Reshaping disturbed areas, applying topsoil, and revegetating where reasonably practicable.

e. Controlling noxious weeds invading the site. f. Rehabilitating fisheries and wildlife habitat.

- 3. Access roads, unless otherwise approved by the authorized officer, will be closed by reshaping the disturbed area to near original contours, scarifying where compaction prevents seed covering, and revegetating with the mixture specified. Waterbars will be placed on steep inclines and access blocked to future vehicular traffic.
- 4. Soils will be stabilized when needed with straw mulch or other products approved of by the authorized officer.
- 5. Seeding of disturbed areas will be done between September 1 and December 15. Seed should not be placed on top of deep snow. Seedbeds will be prepared to a depth of 6 inches by ripping, discing, or harrowing. Seed will be planted with a rangeland or farm drill or broadcast seeded. If broadcast seeded, the seed will be harrowed or raked 1/4 to 1/2 inch into the soil. The seed amount will be doubled if the area is broadcast seeded.
- 6. All hazardous tailing dumps, materials or substances produced by the operation will be disposed of in accordance with applicable Federal and State laws. All waste, debris, buildings, and materials will be removed from the site and deposited at appropriate waste facilities.
- 7. The authorized officer will be notified within 10 days of final reclamation.

M/021/008

BLM RECLAMATION COST ESTIMATE

GENEVA STEEL PLAN OF OPERATIONS UTU-71132/

TOTAL COST ESTIMATE

This estimate is based on reclamation of public land only. It is assuming recontouring of two waste dumps totaling 41.01 acres from approximately a 34 to 23 degree slope, ripping and recontouring of 0.6 acres of haul road, spreading topsoil over the recontoured areas and revenetating

areas and	revegetating.	
Recontour Assume:	ring Waste Dumps & Haul Road: 237,866 cubic yards (Geneva estimate): 237,866 cy x 1 hr/435 cy = 547 hours 547 hrs x 183.41 \$/hr =	\$100,325.27
Hauling T Assume:	op Soil From Ant Pile to Waste Dumps: 28,949 cubic yards (Geneva estimate): 28,949 cy x 1hr/171 cy = 169 hours 169 hours x 236.95 \$/hr =	40,044.55
Spreading Assume:	Top Soil: 28,949 cubic yards 28,949 cy x 1hr/350 cy = 83 hours 83 hours x 183.41 \$/hr =	15,223.03
Rip Haul Assume:	Road: 0.6 acres at \$295/acre =	177.00
Drill and Assume:	Seed Waste Dumps and Road: Seed mix at \$100/acre for 41.61 acres = Drill at \$25/hr for 40 hours = 50% reseed =	4,161.00 1,000.00 2,580.50
Mobilizat Assume:		720.00
RECLAMATI	ON SUB-TOTAL	164,231.35
Supervisi Continger SUB-TOTAL	al Costs: cative Fee - 18% = .on at \$15/hr for 160 hours = .or - 10% = . 1993 DOLLARS = .on for 5 years at 1.42% =	29,561.64 2,400.00 16,423.14 212,616.13 3,019.15
	1998 DOLLARS =	215,635.28

RECLAMATION COST ESTIMATE

GENEVA STEEL PLANT OF OPERATION UTU-71132

Hauling (General format and info. derived from DOGM) ASSUME: -Caterpillar 627E Wheel Tractor-Scraper, 330-225hp, push-pull -Info from CAT Performance Handbook, edition 21, section 8 -Operating weight = 77,513 lbs -Rated Load = 48,000 lb -Material Weight = 2550 lb/cy -Cy/load: (48,000 lb x 1 cy/2550 lb) = 18.8 cy-Gross Weight: (77,513 + 48,000) = 125,513 lbs -Job Efficiency:50 min/hr,factor=0.83; 201b/US ton=1% adverse grade -Rolling resistance: 80 lb/ton = 4% effective grade -Total resistance = rolling resistance + grade -Grade of route: 6% -Effective grade: Uphill -10% Downhill -2% -Rimpull 12,000 lbs -Loaded Speed 13 MPH -Unloaded Speed, empty 36 MPH (using retarder curve)

TRAVEL TIME (MIN) Loaded = 2.8 Unloaded = 1.2 FIXED TIMES Loading= 0.9 Mnver. = 0.6

CYCLE TIME = 5.5 minutes
CYCLES/HR (50min/hr)/(5.5 min) = 9 cycles/hour
PRODUCTION (cycle/hr)x(cy/cycle) = 171 cy/hr

From Rental Rate Blue Book 4/93:

	EQUIP	OPERATOR				
627E P-P Hourly Cost	145.00	47.75				
Regional Factor	1.05	1.05				
Sub-total	152.25	50.14				
Equipment & Operating Cost			202.39(\$/hr)			
From Means Site Work Cost Data 1993:						
Crew B-33D, 1-Equip Operato	r(med)		34.56			
COST PER HOUR			236.95			

RECLAMATION COST ESTIMATE

GENEVA STEEL PLAN OF OPERATIONS UTU-71132

Spreading ASSUME: -CAT D8N dozer, 285hp, U-blade, track type -Information form CAT Performance Handbook, edition 23 -Operator: Average, correction factor = 0.75 -Material: loose stockpile, correction factor = 1.20 -Slot dozing: factor = 1.20 -Visibility: excellent, factor = 1.00 -Job efficiency: 50 min/hr., factor = 0.83 -Direct Drive Trans: factor = 0.80 -Material Weight: 1600 lb/cy, factor = 0.70 -Grade: -20%, factor = 1.4 -Average push distance: 200 feet						
-Uncorrected maximum production: 500 cy/hr -Factors from above: 0.75, 1.20, 1.20, 1.00, 0.83, 0.80, 0.70, 1.4 -Overall correction factor: 0.70 -ESTIMATED PRODUCTION(Max prod x correction factor): 350 cy/hr						
From rental rate blue book 4/93:						
Hourly Cost, D8N, U-blade Regional Factor Subtotals Subtotal Equipment/Operating	115.00 1.05 120.75		149.21(\$/hr)			
From Means Site Work Cost Data 1993:						

34.20

183.41(\$/hr)

Crew B-10B, 1-Equip Operator(med)

COST PER HOUR

RECLAMATION COST ESTIMATE

GENEVA STEEL PLAN OF OPERATIONS UTU-71132

Recontouring (General format and info. derived from DOGM)
ASSUME:

-CAT D8N dozer, 285hp, U-blade, track type

-Information form CAT Performance Handbook, edition 23

-Operator: Average, correction factor = 0.75

-Material: loose stockpile, correction factor = 1.20

-Slot dozing: factor = 1.20

-Visibility: excellent, factor = 1.00

-Job efficiency: 50 min/hr., factor = 0.83

-Direct Drive Trans: factor = 0.80

-Material Weight: 2700 lb/cy, factor = 0.87

-Grade: -20%, factor = 1.4

-Average push distance: 200 feet

-Uncorrected maximum production: 500 cy/hr

-Factors from above: 0.75, 1.20, 1.20, 1.00, 0.83, 0.80, 0.87, 1.4

-Overall correction factor: 0.87

-ESTIMATED PRODUCTION (Max prod x correction factor): 435 cy/hr

From rental rate blue book 4/93:

	Equip	Operator	
Hourly Cost, D8N, U-blade	115.00	27.10	
Regional Factor	1.05	1.05	
Subtotals	120.75	28.46	
Subtotal Equipment/Operati	149.21(\$/hr)		

From Means Site Work Cost Data 1993:

Crew B-10B, 1-Equip Operator(med) 34.20
COST PER HOUR 183.41(\$/hr)